

Brooks, Sandra

IN RE: ADAMS GOLF, INC. : CONSOLIDATED
SECURITIES LITIGATION : C.A. NO. 99-371 KAJ

X

(215) 241-1000 (888) 777-6690

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10:43:14 1 Parrish was like, I think, under him and I would
 10:43:17 2 report to him. He took over for a while, but Mark
 10:43:20 3 was ultimately the --
 10:43:23 4 Q Okay. And how often did you -- say,
 10:43:27 5 in '96 and '97, how often did you see Mark
 10:43:31 6 Gonsalves? Was it --
 10:43:32 7 A Every day. Every day. We had a
 10:43:34 8 morning meeting every day.
 10:43:35 9 Q Okay.
 10:43:35 10 A From the beginning of time, we had a
 10:43:38 11 meeting -- the whole inside sales group and Mark,
 10:43:41 12 we'd have a meeting and talk about goals and --
 10:43:45 13 what did we call them? -- objections and how to
 10:43:48 14 get around objections.
 10:43:49 15 Q Okay.
 10:43:50 16 A Yeah. So every day we had a meeting,
 10:43:52 17 and it was a way to start off our day.
 10:43:55 18 Q And did that practice continue
 10:43:56 19 throughout your employment at Adams Golf?
 10:43:58 20 A Yes.
 10:44:06 21 Q Okay. You testified that in the
 10:44:07 22 beginning of your employment, and correct me if
 10:44:10 23 I'm wrong, I don't want to misquote the record,
 10:44:12 24 there were six members of the inside sales staff.

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10:44:14 1 Is that --
 10:44:15 2 A When I started, correct.
 10:44:17 3 Q And then -- so I assume your regions,
 10:44:19 4 then, were -- were greater than the ones you've
 10:44:26 5 described here, Seattle, Miami, Arkansas,
 10:44:29 6 New Orleans, Connecticut --
 10:44:32 7 A Right. For instance, I had the
 10:44:33 8 entire state of Washington.
 10:44:34 9 Q I see.
 10:44:35 10 A Then when we added more people, we
 10:44:37 11 were asked: What territories do you want to get
 10:44:40 12 rid of? And I was like: Well, you can have
 10:44:43 13 Arkansas, and you can also have the east half of
 10:44:46 14 Washington.
 10:44:47 15 Q Yep. Yep. Spokane?
 10:44:49 16 MR. BESSETTE: Lucky folks.
 10:44:53 17 Q (By Mr. Mara) Okay. So and are you
 10:44:54 18 able to recall when -- but you retained -- I'm
 10:44:58 19 sorry. Strike that.
 10:44:59 20 So you retained Seattle,
 10:45:02 21 Miami, throughout your tenure at Adams Golf?
 10:45:09 22 A Yeah.
 10:45:09 23 Q Are you aware of the concept of gray
 10:45:12 24 marketing?

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10:45:12 1 A I am now.
 10:45:14 2 Q And what do you understand it to
 10:45:16 3 mean? What does it mean to you?
 10:45:22 4 A I guess when people get ahold of a
 10:45:25 5 product, like a golf club, and I guess they're not
 10:45:29 6 really supposed to have it, like an
 10:45:32 7 unauthorized -- like they get the golf club --
 10:45:34 8 somebody gets the golf club and sells it to
 10:45:37 9 somebody else who isn't really supposed to be
 10:45:39 10 selling it.
 10:45:39 11 Q I see. Okay. Now, during 1997, did
 10:45:50 12 you have an occasion to experience anything like
 10:45:53 13 that in your sales regions?
 10:45:54 14 A Yes.
 10:45:54 15 Q And can you describe what that was?
 10:45:57 16 A It started off in Seattle where a big
 10:46:03 17 client of mine called me up complaining that he
 10:46:06 18 was at Costco and saw Adams Golf clubs at Costco.
 10:46:09 19 And I wasn't really sure about Costco because we
 10:46:12 20 didn't have Costcos there, but he explained to me,
 10:46:15 21 a big warehouse wholesale-type place like Sam's.
 10:46:17 22 I know what Sam's is, so he explained that to me.
 10:46:19 23 That's how I first found out about it.
 10:46:21 24 Q And are you able to recall who the

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10:46:23 1 account was?
 10:46:24 2 A I think -- I think it was Pro Am
 10:46:26 3 Golf. Is that it? It's -- it's -- big, giant --
 10:46:30 4 it's like the biggest one in Seattle.
 10:46:32 5 Q Okay. They're in Seattle?
 10:46:34 6 A Uh-huh.
 10:46:34 7 Q And are you able to recall what, if
 10:46:36 8 anything -- if it was Pro Am Golf, I know you're
 10:46:40 9 trying to remember. What did they say to you?
 10:46:42 10 Are you able to recall what they --
 10:46:43 11 A Well, he was pretty mad. He was
 10:46:45 12 pretty mad, like: Why are these clubs showing up
 10:46:48 13 in Costco? Why are you -- why are you all giving
 10:46:51 14 these clubs to Costco? That was pretty much
 10:46:54 15 his --
 10:46:55 16 Q Okay.
 10:46:55 17 A -- take on it.
 10:46:56 18 Q And did he describe what quantity or
 10:46:59 19 how many clubs he --
 10:47:00 20 A He said there were a bunch. I mean,
 10:47:02 21 I don't think he actually gave me a number or
 10:47:04 22 anything, but he said there was a bunch in there,
 10:47:07 23 and that was his concern. I think if he saw like
 10:47:09 24 one or two, he probably wouldn't care, but there

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10:47:10 1 were a bunch in there.
 10:47:11 2 Q And what, if anything, did you do
 10:47:13 3 after you had this conversation --
 10:47:14 4 A I told -- I told Mark.
 10:47:17 5 Q And can you describe what happened
 10:47:19 6 there? What did you say to Mark and --
 10:47:22 7 A I went in and I told him my concerns
 10:47:24 8 and he just kind of blew me off, so to speak.
 10:47:28 9 Q And --
 10:47:29 10 A He just said that was another
 10:47:30 11 objection that I had to get over and figure out
 10:47:36 12 how to work around that.
 10:47:39 13 Q Did you say anything else to Mark
 10:47:39 14 Gonsalves at that time or --
 10:47:43 15 A Well, I went to him more than once.
 10:47:43 16 It wasn't just one time I let go. It kept
 10:47:44 17 happening and my people kept calling me. They
 10:47:46 18 were -- they were mad at me for somehow having
 10:47:51 19 fault at the clubs getting into Costco.
 10:47:53 20 Q I see.
 10:47:54 21 A They were mad, just: Why are you --
 10:47:56 22 why are these people having golf clubs?
 10:47:58 23 Q And are you able to recall -- now,
 10:48:01 24 when you say they were mad and my people were

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10:48:04 1 calling me, was that from Washington?
 10:48:07 2 A Uh-huh. That's where it started. It
 10:48:09 3 wasn't just the one big retailer, some green-grass
 10:48:12 4 accounts would call and they'd say the same thing
 10:48:15 5 and they'd get upset.
 10:48:16 6 Q I see. And by green-grass accounts,
 10:48:18 7 do you mean --
 10:48:18 8 A Like country clubs.
 10:48:19 9 Q -- like pro shops and --
 10:48:20 10 A Yeah. pro shops and country clubs,
 10:48:23 11 stuff like that.
 10:48:25 12 Q And now -- and that was occurring --
 10:48:28 13 are you able to recall when that was occurring in
 10:48:31 14 1997?
 10:48:32 15 A It was -- it was early in the year,
 10:48:34 16 because we were in the first building in Plano.
 10:48:37 17 Q Uh-huh. Are you able to estimate, or
 10:48:44 18 if you can recall, how many times do you think you
 10:48:47 19 went to Mark Gonsalves relaying these complaints
 10:48:50 20 about clubs in Costco?
 10:48:53 21 A I'm what is known as a squeaky wheel,
 10:48:57 22 so I went often. I can't remember -- I can't tell
 10:48:59 23 you how many times, but I do know I went multiple
 10:49:02 24 times to him.

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10:49:06 1 Q And did -- was his reaction
 10:49:10 2 consistent each time or --
 10:49:11 3 A Pretty much.
 10:49:12 4 Q -- or did he just keep saying: Work
 10:49:13 5 on it?
 10:49:13 6 A Yeah, work on it. You'll get over
 10:49:16 7 it, or you know, he really just kind of blew me
 10:49:21 8 off.
 10:49:21 9 Q And when you went to him, did --
 10:49:27 10 well, can you describe the level -- was the level
 10:49:31 11 of frustration growing from the accounts?
 10:49:34 12 A Yes.
 10:49:34 13 Q Okay. And can you describe what that
 10:49:36 14 was like? What -- how do you know the level of
 10:49:39 15 frustration was growing?
 10:49:40 16 A They would stop ordering clubs. They
 10:49:42 17 didn't trust me anymore. Because when you're
 10:49:44 18 calling people on the telephone, they've never
 10:49:46 19 seen you, they've never met you, just some woman
 10:49:49 20 from Texas is calling me trying to sell me a whole
 10:49:51 21 bunch of golf clubs. It took a long time. You
 10:49:54 22 build the trust, you have a rapport, you have a
 10:49:57 23 relationship with these people, and they trust
 10:49:57 24 you.

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10:49:59 1 And this is their business, so
 10:50:01 2 they're trusting you to help them grow their
 10:50:04 3 business, and all of a sudden, they feel as though
 10:50:07 4 you stabbed them in the back, so there's a lot of
 10:50:10 5 trust that -- they didn't trust us anymore. Us,
 10:50:13 6 I'm saying us as a whole, as a company. It wasn't
 10:50:16 7 just me.
 10:50:17 8 Q Right.
 10:50:17 9 A Because they saw the clubs and they
 10:50:20 10 quit ordering them. The country clubs and stuff
 10:50:23 11 got to the point where they wouldn't -- it's not
 10:50:25 12 like they ordered a million clubs. They would
 10:50:27 13 order maybe a dozen or a half a dozen to keep them
 10:50:30 14 on hand. They wouldn't do that anymore. They
 10:50:31 15 would just order like one special order or some
 10:50:34 16 guy came in and wanted a specific Adams club, they
 10:50:38 17 would order that and just kind of didn't want
 10:50:40 18 anything else.
 10:50:41 19 Q I see. And -- okay. And did they
 10:50:47 20 tell you it was because of the clubs in Costco --
 10:50:50 21 A Yeah.
 10:50:51 22 Q -- that this trust had been breached?
 10:50:52 23 A Uh-huh.
 10:50:57 24 Q What you just testified to, did you

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10:50:58 1 relay that to Mark Gonsalves in '97?
 10:51:01 2 A Yes. Yes.
 10:51:03 3 Q Okay. And he said: Keep working on
 10:51:06 4 it?
 10:51:07 5 A Yeah, they eventually had like some
 10:51:10 6 little task force that they got going, but that
 10:51:12 7 had -- it had been going on a long time. It
 10:51:16 8 affected me first before it started affecting
 10:51:18 9 other salespeople, and it wasn't until it started
 10:51:21 10 affecting other salespeople that, you know, they
 10:51:23 11 kind of like looked into it a little bit.
 10:51:25 12 And they had this task force,
 10:51:27 13 but the task force didn't happen until the damage
 10:51:30 14 was done. If you ask me, and that's when -- I
 10:51:32 15 think it was Scott Blevins, they had some serial
 10:51:35 16 numbers they would write on them or something like
 10:51:37 17 that, but I mean --
 10:51:44 18 Q Now, are you aware -- are you aware
 10:51:46 19 that Adams Golf had an initial public offering --
 10:51:49 20 A Uh-huh, yeah.
 10:51:51 21 Q -- and went public?
 10:51:52 22 A Yes.
 10:51:52 23 Q And just for clarity, you're aware
 10:51:54 24 that it was July 9th of 1998?

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10:51:56 1 A Right.
 10:52:06 2 Q The decline in sales that you were
 10:52:10 3 complaining about, was that occurring in 1997?
 10:52:14 4 A Yes.
 10:52:14 5 Q And was that occurring in -- in the
 10:52:16 6 first half of 1998?
 10:52:18 7 A Uh-huh.
 10:52:21 8 Q And did you -- did you tell Mark
 10:52:26 9 Gonsalves specifically that you were experiencing
 10:52:28 10 a decline in sales --
 10:52:29 11 A Yes.
 10:52:29 12 Q -- as a result of these complaints?
 10:52:31 13 A Yes.
 10:52:31 14 Q And what, if anything, did he say to
 10:52:34 15 that?
 10:52:34 16 A He didn't really say much. He just
 10:52:42 17 kind of blew me off. He never really had a whole
 10:52:51 18 lot to say about it. He was just kind of: I
 10:52:51 19 don't know.
 10:52:51 20 Q Other than Mark Gonsalves, did you --
 10:52:51 21 did you talk about this Costco -- clubs in Costco
 10:52:53 22 with other people at Adams Golf?
 10:52:54 23 A Oh, yeah. We -- everybody at Adams
 10:52:57 24 Golf was really pretty close. We hung out. We

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10:53:00 1 went to lunch together. We chitchatted. We saw
 10:53:03 2 each other on the weekends. We were all pretty
 10:53:06 3 close. Yeah, we'd talk about it. I mean, one of
 10:53:08 4 the things, we would kind of try to help each
 10:53:11 5 other, how to get over the objections that we
 10:53:12 6 always had. You know, we would stand around and
 10:53:14 7 we would write our numbers on the boards. I know
 10:53:16 8 like Katherine and I would talk about it.
 10:53:19 9 Katherine East and I would talk about it. So
 10:53:22 10 yeah, we all talked about it.
 10:53:23 11 Q Were you the only one who was
 10:53:24 12 experiencing a problem with clubs in Costco?
 10:53:26 13 A No. No. I believe Katherine was the
 10:53:30 14 second salesperson affected by it.
 10:53:32 15 Q Are you able to recall what
 10:53:34 16 regions -- Katherine is Katherine East?
 10:53:36 17 A Right.
 10:53:36 18 Q Are you able to recall what regions
 10:53:39 19 of the country she had?
 10:53:40 20 A I think it was in the Southwest, like
 10:53:43 21 around Arizona. I think that was the area that
 10:53:46 22 was affected for her.
 10:53:48 23 Q And again, these discussions among --
 10:53:52 24 correct me if I'm -- I don't want to characterize.

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10:53:55 1 These discussions were generally among the inside
 10:53:58 2 sales staff?
 10:53:58 3 A Yeah. Yeah. Pretty much.
 10:54:00 4 Q And were those discussions occurring
 10:54:02 5 in 1997 and the first part of 1998?
 10:54:04 6 A Uh-huh, yes.
 10:54:07 7 Q Are you able to recall if anyone else
 10:54:09 8 on the inside sales staff complained about a
 10:54:12 9 breach of what -- what we've characterized as a
 10:54:15 10 breach of trust this morning with their accounts?
 10:54:20 11 A I mean, if you're referring to the
 10:54:23 12 double shipping and all that kind of crazy stuff,
 10:54:26 13 yeah.
 10:54:26 14 Q Well, no, I --
 10:54:27 15 A I mean --
 10:54:28 16 Q I mean --
 10:54:28 17 A I mean the whole trust issues about
 10:54:31 18 like the clients calling up --
 10:54:33 19 Q Yeah.
 10:54:33 20 A -- and complaining to us. Yeah,
 10:54:34 21 everybody had that problem.
 10:54:35 22 Q I see. Did you -- were you ever able
 10:54:51 23 to ascertain the amount of clubs that were
 10:54:56 24 involved in showing up in Costco?

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10:54:57 1 A I couldn't give you a number, but I
 10:54:59 2 know that there were a lot, just for the fact
 10:55:02 3 that, well, the people in the Seattle area were
 10:55:05 4 telling me that there were hundreds in there. And
 10:55:08 5 then they made their way all the way down to
 10:55:10 6 Florida, and they made their way all the way to
 10:55:13 7 Arizona. That's a lot of clubs.
 10:55:21 8 Q Are you able to recall -- let's see.
 10:55:25 9 We'll take Pro Am Golf. I don't know anything
 10:55:27 10 about it, but was Pro Am Golf -- where was that in
 10:55:30 11 the hierarchy of your accounts? Was that the
 10:55:33 12 biggest or --
 10:55:34 13 A Probably top five. And I had some
 10:55:37 14 big ones.
 10:55:38 15 Q Well, we'll take Pro Am Golf in 1997
 10:55:41 16 and the first half of 1998.
 10:55:45 17 Can you describe what effect
 10:55:50 18 this clubs-in-Costco complaint had on -- on your
 10:55:54 19 sales to Pro Am Golf in 1997 and the first part of
 10:55:58 20 1998?
 10:56:00 21 A They didn't buy nearly as many clubs.
 10:56:03 22 They would just buy less, a lot less.
 10:56:05 23 Q Are you able to estimate, rough
 10:56:10 24 estimate?

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10:56:10 1 A I'm not good with estimates.
 10:56:15 2 Q I mean, if you can't, you can't.
 10:56:16 3 A I don't know. It was significant.
 10:56:17 4 It was a significant decrease in what they would
 10:56:22 5 buy.
 10:56:22 6 Q And were you on a commission --
 10:56:24 7 A Yes.
 10:56:24 8 Q -- basis at that --
 10:56:25 9 Okay. So that was hurting
 10:56:27 10 your pocketbook personally?
 10:56:32 11 A Yeah.
 10:56:32 12 Q Did anyone from Pro Am Golf cite any
 10:56:35 13 other reasons for a reduction in their orders?
 10:56:39 14 A No.
 10:56:39 15 Q Did any of your green-grass accounts
 10:56:42 16 suggest any other reason for a reduction in their
 10:56:45 17 orders?
 10:56:45 18 A No. I mean, that was -- that was it.
 10:56:47 19 Q The Costco problem?
 10:56:49 20 A Uh-huh.
 10:57:00 21 Q Was there any discussion about where
 10:57:05 22 the clubs were coming from that were showing up in
 10:57:12 23 Costco?
 10:57:13 24 A Do you mean with Mark?

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10:57:14 1 Q Sure. Yeah. Did you ever --
 10:57:14 2 A I know we --
 10:57:16 3 Q Yeah, did --
 10:57:18 4 A We all wondered, but I still don't
 10:57:21 5 know exactly how they got there.
 10:57:23 6 Q Yeah.
 10:57:24 7 A I've got my assumptions and what I --
 10:57:26 8 how I think they got there, but no, no one ever --
 10:57:30 9 no one ever pinpointed that.
 10:57:32 10 Q What -- what's your assumption?
 10:57:35 11 A My assumption is when Jay, another
 10:57:41 12 salesperson, he shipped a lot of clubs --
 10:57:46 13 Q I'm sorry. For the record --
 10:57:48 14 A Jay Greaney. He's a salesperson.
 10:57:50 15 He would ship clubs -- I do
 10:57:53 16 remember there was a place in California that he
 10:57:57 17 would ship gobs and gobs of clubs to, but there
 10:58:01 18 was no store. Gee, I wonder where they're going.
 10:58:05 19 And that -- I don't remember the name of the
 10:58:07 20 accounts. It wasn't my account base. But we do
 10:58:12 21 travel. It's not like we're stuck in Texas, and
 10:58:15 22 you go to places and there is no such and such
 10:58:18 23 store.
 10:58:18 24 And also, when he -- he

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10:58:20 1 shipped out of a lot of clubs that he really
 10:58:25 2 probably shouldn't have been shipping out, and
 10:58:27 3 that's where I assume they went.
 10:58:28 4 Q I see. And when you said: We
 10:58:30 5 weren't stuck in Texas, again, are you referring
 10:58:33 6 to the inside sales staff?
 10:58:34 7 A Yeah. I travel -- even when I
 10:58:36 8 traveled for pleasure -- my brother -- at the
 10:58:39 9 time, my brother lived in Southern California, and
 10:58:41 10 I would go and: Hey, I work for Adams Golf. So
 10:58:44 11 I'd go to Edwin Watts or whatever golf stores were
 10:58:50 12 out there. We're not isolated. We get out.
 10:58:53 13 Q Well, and what -- okay. Strike that.
 10:58:56 14 Sorry.
 10:59:07 15 Your region -- let's say in
 10:59:13 16 1997 and the first half of 1998, did -- you had
 10:59:17 17 the Miami region in Florida, or did -- how was
 10:59:23 18 your region bordered in Florida?
 10:59:24 19 A I had Fort Lauderdale and I had
 10:59:28 20 Miami.
 10:59:29 21 Q And in the hierarchy of the Adams
 10:59:31 22 Golf sales department, were those important
 10:59:35 23 markets or --
 10:59:35 24 A Yes.

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11:07:29	1 who used to work there. So I have no problem with	11:09:28	1 Q Let's talk about you joining Adams
11:07:31	2 Adams Golf.	11:09:30	2 Golf in August '96. What did you do before that?
11:07:31	3 Q Do you know what the plaintiffs'	11:09:33	3 A I was a sale rep for "The Green
11:07:33	4 claim in this litigation is?	11:09:37	4 Sheet." And before that, I had just moved here
11:07:34	5 A Not really sure. No, I really don't	11:09:40	5 from El Paso.
11:07:39	6 know the ins and outs of the case, I just -- I	11:09:41	6 Q And before joining Adams Golf, did
11:07:43	7 really don't.	11:09:43	7 you have any experience in the golf industry?
11:07:44	8 Q Did the plaintiffs ever tell you what	11:09:45	8 MR. MARA: I'm sorry. I
11:07:46	9 their claims were?	11:09:47	9 didn't mean to -- did you say '98, joining Adams
11:07:50	10 A I -- I don't know if I ever asked.	11:09:50	10 Golf in '98?
11:08:04	11 Q Do you have any sense, as you sit	11:09:51	11 MR. BESSETTE: August of '96.
11:08:06	12 here, whether Adams Golf as a company did anything	11:09:53	12 THE WITNESS: I thought he
11:08:10	13 wrong with respect to -- when they went public in	11:09:54	13 said '96.
11:08:16	14 their IPO?	11:09:55	14 MR. MARA: Sorry.
11:08:18	15 A Yeah. I think there was some -- a	11:09:55	15 A Golf industry, no. I played golf,
11:08:21	16 couple of misguided people at the company.	11:09:57	16 but that was it.
11:08:23	17 Q What do you mean?	11:10:05	17 Q (By Mr. Bessette) Okay. And you
11:08:24	18 A Well, when all that double-shipping	11:10:05	18 said you reported to Mark Gonsalves. How was he
11:08:29	19 business was going on with Jay, and I'm sure	11:10:08	19 as a -- as a boss, generally speaking?
11:08:32	20 you-all talked to Jay Greaney and everything,	11:10:10	20 A He was -- he had certain standards he
11:08:36	21 about the whole double shipping, I'm pretty sure	11:10:13	21 would like us to live up to. He drove us pretty
11:08:39	22 Mark Gonsalves knew about that. That's not right,	11:10:17	22 hard, but he was a good salesperson. He was a
11:08:46	23 you know.	11:10:19	23 good sales manager.
11:08:46	24 Q Did you know that the company	11:10:20	24 Q He was a good motivator?
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11:08:52	1 investigated whether there was actual double	11:10:22	1 A Yeah.
11:08:52	2 shipping or not?	11:10:22	2 Q Was he a good mentor?
11:08:52	3 A I'm not really sure -- I know	11:10:25	3 A Yeah.
11:08:55	4 there's -- you don't need to investigate it. I	11:10:25	4 Q And he held, I think you said, daily
11:08:55	5 know there was double shipping. I don't need to	11:10:27	5 sales meetings with the staff to help motivate and
11:08:59	6 investigate. I am quite confident there was	11:10:30	6 help drive more sales?
11:08:59	7 double shipping going on.	11:10:39	7 A Right.
11:08:59	8 Q I'm sure you are --	11:10:39	8 Q You -- I wrote this down. I thought
11:09:00	9 A Yeah.	11:10:41	9 it was kind of funny. You called yourself a
11:09:00	10 Q -- but do you know whether the	11:10:44	10 squeaky wheel?
11:09:01	11 company investigated it?	11:10:45	11 A Yeah.
11:09:02	12 A I don't know.	11:10:45	12 Q Were you sort of the complainer in
11:09:02	13 Q Do you know what Jay talked about	11:10:47	13 the group?
11:09:04	14 with respect to double shipping?	11:10:47	14 A When something was brought to my
11:09:06	15 A No.	11:10:49	15 attention, yeah. But I'm like that now, still.
11:09:08	16 Q Okay.	11:10:52	16 If something I see is wrong or happening wrong,
11:09:08	17 A I mean, Jay was a nice guy and	11:10:55	17 I'm going to talk about it until I don't think
11:09:10	18 everything, but we weren't like -- we didn't like	11:10:57	18 it's wrong anymore or it's been fixed or repaired
11:09:12	19 hang out and chat or anything.	11:11:01	19 or has gone away or whatever, so yeah.
11:09:21	20 Q You don't have any reason to believe	11:11:06	20 Q And is it your recollection you kind
11:09:23	21 that Jay Greaney would lie under oath, do you?	11:11:07	21 of went and talked to Mark quite a bit and
11:09:26	22 A No.	11:11:10	22 complained quite a bit about things, didn't you?
11:09:26	23 Q You wouldn't lie under oath?	11:11:12	23 A Not just things. I mean, that makes
11:09:28	24 A No.	11:11:14	24 it sound pretty trivial. But if there was

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11:34:21	1	A	Am I aware of what they were doing?	11:36:16	1		quite large, a lot of stores, right?
11:34:23	2	Q	Right.	11:36:18	2	A	Yeah. I think they had like three,
11:34:24	3	A	Other than that little team that	11:36:20	3		maybe.
11:34:30	4		Scott Blevins was heading up, I don't know of	11:36:20	4	Q	In the Seattle area?
11:34:32	5		anything else.	11:36:22	5	A	I think so.
11:34:33	6	Q	Right. And that team was in the fall	11:36:23	6	Q	But they had others in other states,
11:34:35	7		of 1998. Does that square with your recollection?	11:36:25	7		did they not?
11:34:38	8	A	Yeah.	11:36:26	8	A	I didn't deal with those.
11:34:39	9	Q	Okay. So when you moved into the new	11:36:27	9	Q	Oh, so you only dealt with Pro
11:34:41	10		building until you went public, I say "you"	11:36:30	10		Golf--
11:34:45	11		meaning the company, okay, so March, April to	11:36:30	11	A	Yeah.
11:34:47	12		July, do you know what steps the company was	11:36:30	12	Q	-- in your area, in your Seattle
11:34:53	13		taking regarding this gray-marketing issue?	11:36:33	13		area?
11:34:58	14	A	No.	11:36:48	14	A	Right.
11:34:58	15	Q	And you don't know -- excuse me. And	11:36:51	15	Q	Okay. Now, you mentioned to the
11:35:00	16		you don't know what steps Mark Gonsalves --	11:36:57	16		plaintiffs' counsel that it was your recollection
11:35:03	17	A	No.	11:36:59	17		that you -- some of your accounts who were
11:35:04	18	Q	-- was taking, particularly about the	11:37:02	18		complaining about clubs being in Costco stores
11:35:06	19		gray marketing?	11:37:05	19		where they would slow down or stop ordering
11:35:06	20	A	No.	11:37:08	20		clubs --
11:35:06	21	Q	So you don't know if he went to	11:37:08	21	A	Uh-huh. Right.
11:35:11	22		visit, for example, locations, retailers, or	11:37:09	22	Q	-- right?
11:35:14	23		Costco stores himself? You have no clue?	11:37:10	23		Okay. Let's go customer by
11:35:18	24	A	No. I would have hoped to have been	11:37:12	24		customer. Let's start with Pro Golf. Okay. How
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11:35:18	1		informed if he was going into my particular	11:37:17	1		many clubs did they not order?
11:35:20	2		territory, but no.	11:37:18	2	A	I can't give you numbers. I don't
11:35:21	3	Q	Pro Am, is that --	11:37:21	3		recall specifics. I do remember it being
11:35:23	4	A	I think that's the name of it.	11:37:25	4		significant in the grand scheme of things, that if
11:35:25	5	Q	Do they have a Boise, Idaho, store?	11:37:27	5		you're ordering 50 clubs a week, you know, he was
11:35:27	6	A	I don't know.	11:37:32	6		ordering, maybe half that, and it trickled off.
11:35:30	7	Q	You don't know if Pro -- oh, Pro	11:37:38	7	Q	Yeah. So when -- this started when
11:35:33	8		Golf. I'm sorry.	11:37:43	8		you -- again, right, as you said, before you moved
11:35:33	9	A	Was it Pro Golf?	11:37:46	9		into the Plano Parkway building --
11:35:34	10	Q	I think it's Pro Golf.	11:37:48	10	A	Uh-huh.
11:35:36	11	A	I think --	11:37:49	11	Q	-- complaints came. And how -- how
11:35:36	12	Q	Is Pro Golf your client?	11:37:51	12		long after the complaints started before they
11:35:38	13	A	Whoever the big guy in Seattle was.	11:37:54	13		stopped ordering or slowed their ordering?
11:35:41	14		I don't remember. They all have very similar	11:38:03	14	A	In the beginning, because I didn't
11:35:43	15		names: Pro Golf, Pro-Am Golf, pro this, pro that.	11:38:04	15		see this as being a -- I -- I kept thinking it was
11:35:47	16	Q	Do you recall the name Paul	11:38:09	16		going to go away. Maybe I was naive, I don't
11:35:50	17		McCormick?	11:38:12	17		know, but I kept thinking it was going to go away,
11:35:50	18	A	No, I don't.	11:38:15	18		get better.
11:35:57	19	Q	Okay. Pro Golf in Seattle, how about	11:38:15	19		So in the beginning, I assured
11:35:59	20		Randy Silver? Does that name ring a bell?	11:38:17	20		them that: Oh, no, we're not selling directly to
11:36:01	21	A	That sounds kind of familiar. That's	11:38:19	21		Costco. That's not what we're doing because --
11:36:03	22		not who I talked to.	11:38:21	22	Q	Uh-huh.
11:36:05	23	Q	Right. Okay.	11:38:22	23	A	-- if they would have been, it would
11:36:14	24		Now, you said Pro Golf was	11:38:24	24		have been my territory and I would have known

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11:38:25 1 about it.
 11:38:26 2 So I was like: No, we are not
 11:38:28 3 selling to Costco. It's -- it's not going to
 11:38:31 4 happen. That's not what we're doing. And it just
 11:38:33 5 kind of built up over a series of a couple of
 11:38:37 6 months where they got more angry and kept seeing
 11:38:41 7 the clubs, and I kept telling them, no, no, no,
 11:38:44 8 and then they just kind of finally had enough and
 11:38:46 9 just -- slowly just stopped buying.
 11:38:48 10 Q I see. So it took -- I mean, it took
 11:38:52 11 several months because you were obviously being
 11:38:53 12 very persuasive that the company is not selling
 11:38:56 13 clubs to Costco?
 11:38:57 14 A Right.
 11:38:57 15 Q They must be getting them somewhere
 11:38:59 16 else?
 11:38:59 17 A Right.
 11:38:59 18 Q And we're going to figure out where
 11:39:01 19 they're getting them?
 11:39:02 20 A Right.
 11:39:02 21 Q And you were being told by Mark and
 11:39:04 22 others in the company that the company was trying
 11:39:06 23 to figure out how Costco was getting these clubs?
 11:39:09 24 A Towards the end, yeah, when everybody

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11:39:11 1 was affected by it, yeah.
 11:39:13 2 Q And you're aware that the company
 11:39:14 3 sued Costco, right?
 11:39:16 4 A No, I didn't know that.
 11:39:17 5 Q You didn't know that. Okay.
 11:39:21 6 So you didn't know that they
 11:39:22 7 sued Costco to figure out how Costco was getting
 11:39:25 8 the clubs. They put out a press release to tell
 11:39:30 9 retailers and people in the marketplace that they
 11:39:31 10 were suing Costco because Costco was an
 11:39:35 11 unauthorized retailer.
 11:39:36 12 You don't remember that at
 11:39:39 13 all?
 11:39:40 14 A Vaguely. I remember something about
 11:39:42 15 the Costco thing, but I don't remember there being
 11:39:44 16 a lawsuit, but --
 11:39:46 17 Q I think it was actually called a bill
 11:39:48 18 of discovery, but unless you're a lawyer, you're
 11:39:50 19 probably --
 11:39:51 20 A I'm like, no, so that's -- yeah,
 11:39:53 21 so -- I do remember something along those lines,
 11:39:57 22 yeah.
 11:39:57 23 Q Because wasn't Mark telling you:
 11:39:59 24 Look, here's the story. We're not selling to

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11:40:03 1 Costco. Tell your folks that. We're going to sue
 11:40:06 2 Costco or we're suing Costco, and that's a message
 11:40:08 3 you can send to the retailers?
 11:40:11 4 A Long time -- I mean, in my opinion,
 11:40:14 5 the damage had already been done. My clients
 11:40:21 6 didn't care at that point. They were like: Too
 11:40:21 7 little, too late.
 11:40:24 8 Q Okay.
 11:40:28 9 A Because it wasn't just like: Oh,
 11:40:28 10 really, let's run out and do something about it.
 11:40:28 11 It took a long time of lots of clients and people
 11:40:32 12 calling in before anything was ever really done
 11:40:35 13 about it.
 11:40:35 14 Q So in the -- and what you're saying
 11:40:37 15 as anything really done about it is sort of that
 11:40:40 16 Scott Blevins team to go check --
 11:40:42 17 A Yeah, and that thing of discovery
 11:40:43 18 that you just talked about. I do remember that.
 11:40:45 19 but --
 11:40:46 20 Q When do you remember that?
 11:40:47 21 A I don't -- I don't remember a time.
 11:40:48 22 but you -- I'd completely forgotten about that
 11:40:52 23 until you -- I was like, oh, yeah, they did do
 11:40:54 24 some little press release or whatever you called

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11:40:56 1 it.
 11:40:57 2 Q Uh-huh.
 11:40:58 3 A But that was too little too late.
 11:41:04 4 Q Okay. So when do you recall --
 11:41:06 5 A I don't remember when it happened. I
 11:41:07 6 do remember it happening, but I don't remember
 11:41:09 7 what it was. I do remember my accounts had
 11:41:14 8 already -- by the time that happened, I do
 11:41:15 9 remember my accounts being disgruntled already.
 11:41:19 10 Q Oh, okay.
 11:41:20 11 A Does that --
 11:41:21 12 Q Sure. Because if that happened in --
 11:41:26 13 say, the press release was in June, you move into
 11:41:29 14 the new building in April, so between April --
 11:41:32 15 March, April and June, you've been working them a
 11:41:34 16 long time telling them: It's not us, and not to
 11:41:38 17 worry.
 11:41:38 18 Does that sort of sound right?
 11:41:41 19 A I think so, yeah, but -- actions
 11:41:44 20 speak louder than words sort of thing.
 11:41:46 21 Q Sure.
 11:41:46 22 A That was their --
 11:41:48 23 Q So there's no doubt they were
 11:41:50 24 disgruntled and they were complaining to you.

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11:41:52 1 A Uh-huh.
 11:41:52 2 Q The company puts out a press release
 11:41:54 3 in June.
 11:41:54 4 A Was it June?
 11:41:55 5 Q It was June. June 9th.
 11:41:59 6 And it's your recollection
 11:42:05 7 that that was not much for you to really talk to
 11:42:10 8 the retailers about, they were already kind of
 11:42:12 9 still --
 11:42:15 10 A They were already mad. They were
 11:42:17 11 like: Why do they have them if you're not getting
 11:42:21 12 them to them?
 11:42:22 13 Q How many retail accounts did you have
 11:42:23 14 actually, Ms. Brooks, in this time frame?
 11:42:25 15 A I had a lot. I mean, I had -- I had
 11:42:29 16 the whole state of Connecticut.
 11:42:31 17 Q Uh-huh.
 11:42:32 18 A I had -- in Pennsylvania, I had like
 11:42:37 19 summer and spring, like a whole huge territory
 11:42:40 20 over there. That was a lot -- that was a really
 11:42:43 21 nice area over where you live.
 11:42:45 22 MR. MARA: Indicating
 11:42:46 23 plaintiffs' counsel.
 11:42:47 24 A Sorry.

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11:42:48 1 Q (By Mr. Bessette) I don't have the
 11:42:51 2 luxury of living there.
 11:42:52 3 A I actually got to go there for
 11:42:54 4 Somerton Springs. That was probably my biggest
 11:42:58 5 account, Somerton Springs.
 11:43:00 6 I had Miami.
 11:43:00 7 Q So let me just have a --
 11:43:01 8 A In the Miami area, I had like three
 11:43:05 9 Edwin Watts right there.
 11:43:07 10 Q I don't mean to cut you off, but
 11:43:09 11 hundreds of accounts? Thousands?
 11:43:12 12 A No, not thousands. I would say
 11:43:14 13 hundreds, yeah.
 11:43:15 14 Q And we know you said Pro Golf
 11:43:18 15 complained?
 11:43:18 16 A Uh-huh.
 11:43:19 17 Q Okay. Who else complained? And this
 11:43:21 18 is now, when you move into the new building up
 11:43:24 19 until the IPO.
 11:43:27 20 A Right. The majority of the
 11:43:30 21 green-grass accounts in Washington.
 11:43:31 22 Q Okay.
 11:43:32 23 A In my territory in Washington. I'd
 11:43:37 24 say everyone -- I'd even go as far to say like all

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11:43:40 1 of them complained at one point or another about
 11:43:42 2 that.
 11:43:42 3 Q Well, let's try to be specific, okay?
 11:43:45 4 MR. MARA: I'm sorry. Can I
 11:43:46 5 get a break when you get a -- at the next
 11:43:49 6 natural junction?
 11:43:49 7 MR. BESSETTE: Sure.
 11:43:51 8 Q (By Mr. Bessette) So green-grass
 11:43:52 9 accounts in your Seattle area --
 11:43:54 10 A Right. In the Seattle area.
 11:43:56 11 Q How many are you talking about? A
 11:43:57 12 dozen? More? Less?
 11:44:00 13 A Yeah, maybe a dozen or so. And there
 11:44:02 14 were also some other retailers that that were like
 11:44:04 15 the Pro Golf, but -- Puts maybe. I think there's
 11:44:08 16 a place called Puts. Oh, I don't remember. But
 11:44:11 17 there was another big retailer in the Seattle
 11:44:13 18 area, and they complained also.
 11:44:16 19 Q Okay. So Pro Golf, Puts, whatever
 11:44:18 20 you remember --
 11:44:19 21 A I can't remember, yeah, something --
 11:44:20 22 Q -- and some number, a dozen or so of
 11:44:23 23 the green-grass accounts?
 11:44:24 24 A Right.

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11:44:24 1 Q Who else do you recall, if anyone?
 11:44:28 2 A Some folks down in Florida, the Edwin
 11:44:31 3 Watts guys.
 11:44:31 4 Q And what time frame is that? I know
 11:44:37 5 this is difficult, but I want to keep you in the
 11:44:39 6 move to the new building to the IPO, those few
 11:44:42 7 months.
 11:44:42 8 A Yeah. I'm going to say that it was
 11:44:48 9 probably March or April of '98. The reason I say
 11:44:59 10 that is because I got married, and it was before I
 11:45:02 11 got married.
 11:45:02 12 Q When did you get married?
 11:45:04 13 A April, end of April.
 11:45:07 14 Q Okay. So there -- you're saying
 11:45:09 15 essentially around the same time?
 11:45:10 16 A Uh-huh.
 11:45:10 17 Q So the Edwin Watts guys in Florida,
 11:45:13 18 the people you told us about in the Seattle area?
 11:45:16 19 A Right.
 11:45:16 20 Q Okay. Anybody else?
 11:45:18 21 A My personal people?
 11:45:21 22 Q Yes.
 11:45:21 23 A No. No. Those were the main -- that
 11:45:30 24 was it, yeah.

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11:45:30 1 Q And they started complaining, and as
 11:45:30 2 you say, they got more and more disgruntled, and
 11:45:32 3 it took months, and then at some point they slowed
 11:45:34 4 their orders and it stopped altogether?
 11:45:37 5 A Yeah.
 11:45:37 6 Q And the records of the company and
 11:45:40 7 the sales records would reflect all the sales that
 11:45:42 8 were made?
 11:45:44 9 A Yeah.
 11:45:44 10 Q So we could see, presumably, whether
 11:45:48 11 anybody actually slowed or stopped?
 11:45:50 12 A Yeah, I would guess.
 11:46:15 13 MR. MARA: Is now a good time?
 11:46:17 14 MR. BESSETTE: Yeah. Let's
 11:46:18 15 break.
 11:46:18 16 (A recess was taken from
 11:56:00 17 11:46 to 11:56.)
 11:56:00 18 MR. BESSETTE: Okay. Back on.
 11:56:05 19 Q (By Mr. Bessette) In the --
 11:56:07 20 Ms. Brooks, in the -- again, same time frame we've
 11:56:09 21 been talking about, moving into the new building
 11:56:12 22 on Plano Parkway, March/April, till the IPO, how
 11:56:15 23 many inside salespeople do you think the company
 11:56:17 24 had at that time, that you recall?

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11:56:25 1 A 12, maybe. I don't remember. I'm
 11:56:28 2 trying to think of who all was there. I know it
 11:56:31 3 was more than the initial six.
 11:56:33 4 Q Uh-huh.
 11:56:33 5 A 10, 10, 12, somewhere around there.
 11:56:36 6 Q That's your recollection?
 11:56:36 7 A I think -- I don't really remember.
 11:56:38 8 I'm just trying to think of who the salespeople
 11:56:40 9 were, because they were the original six, and then
 11:56:45 10 there was like Darin and Andrea and all those
 11:56:47 11 people got hired, and the little guy that drove
 11:56:51 12 the Jeep. I can't remember his name. I don't
 11:56:53 13 remember. I know it was more.
 11:56:54 14 Q Okay. And do you remember -- do you
 11:56:56 15 remember about the time of the IPO again, so we're
 11:56:59 16 in the summer of '98, about how many retail
 11:57:02 17 accounts were there overall that the company had?
 11:57:03 18 A I don't know.
 11:57:04 19 Q No idea?
 11:57:05 20 A Huh-uh.
 11:57:06 21 Q You don't know if it was 5,000 or
 11:57:09 22 10,000 or anything like that?
 11:57:11 23 A No.
 11:57:11 24 Q With lots of accounts and lots of

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11:57:14 1 salespeople, did you -- how well did you know
 11:57:16 2 other people's accounts? Did you have time to
 11:57:18 3 know other salespeople's accounts?
 11:57:20 4 A Some of the bigger ones that maybe
 11:57:22 5 affect your territory, maybe you would know.
 11:57:25 6 Q Uh-huh.
 11:57:30 7 A That way.
 11:57:31 8 Q Okay. I can see that. Any other
 11:57:32 9 way?
 11:57:32 10 A Just chatting. Like I'll give you an
 11:57:36 11 example that kind of -- like the -- there's a golf
 11:57:38 12 club in Pennsylvania called Squires Club. It's a
 11:57:43 13 pretty high-end -- when I say high-end, men-only
 11:57:47 14 club, and I got to be such good friends with the
 11:57:51 15 pro there that he actually sent me a wedding
 11:57:54 16 present, and he thanked me when I sent Dr. Jay to
 11:57:57 17 his club to buy a golf club.
 11:57:58 18 So I told everybody the
 11:58:00 19 Dr. Jay story a hundred times. So you know
 11:58:03 20 things, if have like a story or something. We
 11:58:05 21 knew things about maybe special accounts.
 11:58:07 22 Q Okay. All right. Good.
 11:58:16 23 Now, Jay Greaney was the top
 11:58:20 24 salesperson at the time?

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11:58:20 1 A Correct.
 11:58:22 2 MR. MARA: The time being?
 11:58:23 3 Q (By Mr. Bessette) The time being,
 11:58:24 4 again, it's March/April to --
 11:58:26 5 A While Jay was there, best of my
 11:58:28 6 recollection, he was usually the top salesperson,
 11:58:31 7 so --
 11:58:31 8 Q And why was that, in your view?
 11:58:33 9 A He was a good salesperson, and he
 11:58:36 10 also padded his orders.
 11:58:40 11 Q Yeah. So let me explore that a
 11:58:42 12 little.
 11:58:42 13 Why do you think he padded his
 11:58:45 14 orders?
 11:58:46 15 A To make more money.
 11:58:47 16 Q Let me ask you a better question:
 11:58:50 17 How do you know? How do you have the opinion that
 11:58:52 18 he padded his orders?
 11:58:53 19 A Because my -- I know he had a lot of
 11:59:01 20 returns and -- and it was kind of common
 11:59:04 21 knowledge.
 11:59:04 22 Q Okay. So besides water cooler talk
 11:59:06 23 and people not liking Jay for whatever reason --
 11:59:08 24 A I never said I didn't like Jay. I do

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11:59:11 1 like Jay.
 11:59:12 2 Q Okay. Let me ask you this in one
 11:59:14 3 pointed question: Do you have any personal
 11:59:17 4 knowledge that he actually, as you said, padded
 11:59:19 5 his numbers?
 11:59:20 6 A I can't think of anything specific.
 11:59:23 7 Eight years ago, I probably could have cited
 11:59:25 8 something pretty specific, but right now, no, I
 11:59:27 9 can't.
 11:59:27 10 Q So as you sit here, no personal
 11:59:29 11 knowledge?
 11:59:29 12 A That I can remember.
 11:59:30 13 Q That's all I want to know, is what
 11:59:32 14 you remember.
 11:59:32 15 A Yeah. I can't think of anything
 11:59:34 16 right now. If someone were to jog my memory or
 11:59:36 17 give me some specific examples, maybe I'd remember
 11:59:38 18 something, maybe I wouldn't. I don't know.
 11:59:42 19 Q Okay. You also testified earlier
 11:59:43 20 about this California store that Jay shipped to.
 11:59:46 21 A Uh-huh.
 11:59:47 22 Q So let me understand, are you saying
 11:59:48 23 that you were out in California and you knew the
 11:59:51 24 specific address?

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11:59:52 1 A No. No. No. Other people, such as
 11:59:54 2 myself -- I was giving you an example of when I
 11:59:56 3 went to California and I would go look at other
 11:59:58 4 people, but I do remember him having an account in
 12:00:04 5 California that did not have a storefront.
 12:00:07 6 Q Okay.
 12:00:07 7 A I believe -- I believe maybe he's the
 12:00:09 8 one who told us. I don't recall. I don't
 12:00:11 9 remember, but it -- the inside sales team knew
 12:00:16 10 that Jay had a customer, client, whatever you want
 12:00:21 11 to call them, in California that did not have a
 12:00:35 12 storefront.
 12:00:35 13 I think maybe one of his other
 12:00:35 14 clients found that out. I'm not really sure
 12:00:35 15 exactly how it came to light, but that did come to
 12:00:35 16 light.
 12:00:35 17 Q Okay. And what did that mean to you?
 12:00:35 18 Because I don't know what that means.
 12:00:35 19 A Well, that meant to me: He is
 12:00:39 20 selling clubs at the wholesale price to some guy
 12:00:41 21 who doesn't have a store for people to come and
 12:00:44 22 buy them in.
 12:00:46 23 Q Okay. So besides that, you don't
 12:00:49 24 know -- is there any other meaning to that?

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12:00:52 1 A I take it is that he is selling them
 12:00:54 2 to this guy and this guy is probably, I'm
 12:00:58 3 thinking, Mr. Gray Market guy.
 12:01:01 4 Q But again, no personal knowledge?
 12:01:03 5 A No. But it was -- the whole inside
 12:01:06 6 sales team, including Mark and Craig and everybody
 12:01:09 7 else, knew about this. We talked about it openly.
 12:01:13 8 It wasn't some big secret.
 12:01:15 9 Q So wouldn't that suggest it was
 12:01:17 10 appropriate and aboveboard, just a little unusual
 12:01:19 11 and not something sinister?
 12:01:22 12 A No --
 12:01:22 13 MR. MARA: Objection to the
 12:01:23 14 form of the question.
 12:01:23 15 But answer it. Sorry.
 12:01:26 16 A No, because didn't Jay get fired?
 12:01:33 17 Q (By Mr. Bessette) Is that your
 12:01:33 18 recollection?
 12:01:33 19 A Yeah, I think he got fired
 12:01:36 20 eventually. I mean, Jay had a unique way of
 12:01:41 21 selling clubs, I'll say, and I personally don't
 12:01:44 22 find it to have been an ethical way to sell clubs.
 12:01:50 23 Q What do you mean by that?
 12:01:54 24 A Some people, when you -- you say:

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12:01:56 1 Okay. I'll take six clubs.
 12:02:00 2 Send them a dozen. He would
 12:02:01 3 do that. That was his method. I don't believe
 12:02:04 4 there's any secret. A person tells me: Send me
 12:02:08 5 six clubs, I sent them six clubs. So that's what
 12:02:10 6 I'm talking about.
 12:02:11 7 Q All right. So let's explore that
 12:02:13 8 again. Besides the knowledge that you say was
 12:02:16 9 around the water cooler --
 12:02:17 10 A Do I have something pinpoint specific
 12:02:20 11 to document or anything, no, I don't.
 12:02:21 12 Q So no personal knowledge, no seeing
 12:02:23 13 an order, knowing that somebody ordered six and --
 12:02:25 14 A No.
 12:02:25 15 Q -- seeing that Jay actually shipped
 12:02:28 16 12?
 12:02:29 17 A No.
 12:02:29 18 Q Nothing like that?
 12:02:29 19 A No.
 12:02:30 20 Q Just talk around the halls?
 12:02:32 21 A Yeah.
 12:02:35 22 Q Okay. Now, you testified earlier
 12:02:44 23 that -- I think you said Costco, you know, it was
 12:02:47 24 a big problem for your -- the accounts we've

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12:02:50 1 already talked about --
 12:02:51 2 A Right.
 12:02:51 3 Q -- who they were. And that
 12:02:54 4 eventually, over time, they got so disgruntled
 12:02:58 5 that they slowed or stopped orders?
 12:03:00 6 A Right.
 12:03:00 7 Q Sitting here, looking back on it now,
 12:03:04 8 so this time frame in '98 --
 12:03:06 9 A Uh-huh.
 12:03:07 10 Q -- let's say all of -- let's say that
 12:03:10 11 same time frame, the April -- March/April, going
 12:03:13 12 to the new building, to say, the IPO, how -- how
 12:03:18 13 many clubs -- how many -- how many clubs did
 12:03:20 14 Costco sell in your territory? Do you have any
 12:03:24 15 sense?
 12:03:25 16 A No. I mean, I couldn't tell you. I
 12:03:27 17 mean, I never went there. I don't know how many
 12:03:29 18 they had, but according to my clients who told me
 12:03:33 19 that they had, you know, in the -- a hundred clubs
 12:03:37 20 or so sitting right there. It was always full and
 12:03:40 21 it was all freshly stocked, so I'm going to say a
 12:03:43 22 lot.
 12:03:43 23 Q A lot.
 12:03:43 24 A Yeah. I don't have a number to put

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12:03:45 1 on it because I wasn't there. I didn't count
 12:03:47 2 them. I'm just going by what my people told me.
 12:04:05 3 Q Okay. And you have no reason to
 12:04:07 4 dispute that whatever the Costco records show what
 12:04:10 5 their sales were in particular regions, you don't
 12:04:13 6 have any reason to believe that that wouldn't be
 12:04:15 7 accurate?
 12:04:16 8 A No.
 12:04:25 9 Q Okay. And if -- for example, if
 12:04:28 10 Costco had showed that in the second quarter of
 12:04:32 11 1998 -- and again, that's right at the time frame
 12:04:34 12 we're talking about, April, May, June 1998.
 12:04:37 13 A Uh-huh.
 12:04:39 14 Q -- in the states of Alaska and Idaho
 12:04:42 15 and Montana and Oregon and Utah and Washington,
 12:04:48 16 there were just over 700 clubs sold, does that
 12:04:52 17 sort of sound accurate to you?
 12:04:54 18 MR. MARA: Objection, assumes
 12:04:55 19 facts not in evidence.
 12:04:55 20 But go ahead.
 12:04:57 21 A I figured it would be a lot more than
 12:04:58 22 that, but I -- I have never been to any of those
 12:05:04 23 places, so I have no idea. I mean --
 12:05:06 24 Q (By Mr. Bessette) And that's a good

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12:05:07 1 point. You would have thought it was more because
 12:05:10 2 it seemed more to you because your customers
 12:05:13 3 were -- were complaining to you?
 12:05:15 4 A Uh-huh.
 12:05:15 5 Q But you don't, as you sit here, know
 12:05:17 6 how many actual sales were being made in Costco
 12:05:20 7 and how it was affecting the company overall,
 12:05:22 8 meaning Adams Golf?
 12:05:23 9 A Right.
 12:05:26 10 Q Okay. And would it surprise you to
 12:05:28 11 learn -- and again, in the same time frame, April,
 12:05:30 12 May, June of 1998 -- in what Costco calls the
 12:05:36 13 Southeast region, but it's the states of Alabama
 12:05:38 14 and Florida, Georgia, Maryland, North Carolina,
 12:05:41 15 portions of New Jersey -- I don't know why that's
 12:05:47 16 Southeast, but -- Puerto Rico, South Carolina,
 12:05:47 17 Tennessee, and portions of Virginia, there were
 12:05:50 18 only 150 clubs sold by Costco in that time frame?
 12:05:54 19 MR. MARA: Same objection.
 12:05:54 20 Q (By Mr. Bessette) Is that surprising
 12:05:55 21 to you as well?
 12:05:57 22 A Yeah.
 12:05:58 23 Q Again, you would have thought it
 12:05:59 24 would be more?

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12:06:00 1 A Yeah. Maybe they're all sold out of
 12:06:02 2 Miami, I don't know, but --
 12:06:05 3 Q Maybe you know, maybe not. We don't
 12:06:07 4 know.
 12:06:25 5 When did you -- let's see.
 12:06:27 6 You said you got married in April?
 12:06:29 7 A Uh-huh.
 12:06:30 8 Q 1998?
 12:06:30 9 A Uh-huh.
 12:06:31 10 Q You got married to Michael Brooks?
 12:06:33 11 A Right.
 12:06:33 12 Q He was an employee of Adams Golf?
 12:06:35 13 A Right.
 12:06:35 14 Q And you met him at Adams Golf?
 12:06:42 15 A Right.
 12:06:42 16 Q He was in what department?
 12:06:44 17 A He started off in customer service,
 12:06:46 18 and then he moved up, and he was like the
 12:06:49 19 purchasing manager or something like that. He --
 12:06:52 20 he was in charge of purchasing the components.
 12:07:00 21 Q We won't be too much longer.
 12:07:02 22 Purchasing. Who was his boss
 12:07:06 23 in 1998/1999 time frame? Do you know?
 12:07:09 24 A Well, Dick Murtland was his boss, and